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# Toomey Vehicle Rentals Limited

## Report and Financial Statements

31 December 2007

MONDAY



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16/06/2008  
COMPANIES HOUSE

# Toomey Vehicle Rentals Limited

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Registered No 4146607

## **Directors**

M J Toomey  
P J Plant  
W R Maynard  
N D Rickwood

## **Secretary**

P J Plant

## **Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

## **Registered Office**

Service House  
West Mayne  
Basildon  
Essex SS15 6RW

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2007

### Results and dividends

The loss after tax for the year amounted to £65,987 (2006 – £96,988) The directors do not recommend a final dividend, (2006 – £nil)

### Principal activity and review of the business

The company's principal activity during the year was the provision of motor vehicles for self-drive hire  
The directors do not anticipate any significant change in the principal activity of the company

### Directors

The directors who served the company during the year were as follows

M J Toomey  
P J Plant  
W R Maynard  
N D Rickwood

### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to made himself aware of any relevant audit information and to establish that the auditor is aware of that information

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

On behalf of board



P J Plant  
Director

28 MAR 2008

## Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report**

**to the members of Toomey Vehicle Rentals Limited**

We have audited the company's financial statements for the year ended 31 December 2007, which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, and the related notes 1 to 19. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent auditors' report**

to the members of Toomey Vehicle Rentals Limited

### **Opinion**

In our opinion

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 December 2007 and of its loss for the year then ended,
- The financial statements have been properly prepared in accordance with the Companies' Act 1985, and
- The information given in the Directors' Report is consistent with the financial statements



Ernst & Young LLP  
Registered Auditor  
London

**28 MAR 2008**

## Profit and loss account

for the year ended 31 December 2007

	Notes	2007 £	2006 £
<b>Turnover</b>	3	990,822	893,247
Cost of sales		(618,040)	(585,223)
<b>Gross profit</b>		372,782	308,024
Administrative expenses		(359,214)	(363,850)
<b>Operating profit/(loss)</b>	4	13,568	(55,826)
Interest payable	7	(101,651)	(82,728)
<b>Loss on ordinary activities before taxation</b>		(88,083)	(138,554)
Taxation	8	22,096	41,566
<b>Loss retained for the financial year</b>		(65,987)	(96,988)

## Statement of total recognised gains and losses

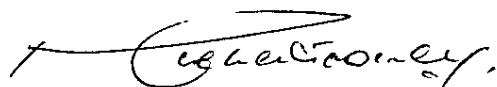
For the year ended 31 December 2007

There are no recognised gains or losses other than the loss of £65,987 attributable to the shareholders for the year ended 31 December 2007 (2006 – loss of £96,988)

## Balance sheet

at 31 December 2007

	Notes	2007 £	2006 £
<b>Fixed assets</b>			
Vehicles on contract hire	9	848,679	1,030,828
Other tangible assets	10	12,271	8,383
		<u>860,950</u>	<u>1,039,211</u>
<b>Current assets</b>			
Debtors	11	163,933	233,889
Cash at bank and in hand		200	200
		<u>164,133</u>	<u>234,089</u>
<b>Creditors</b> amounts falling due within one year	12	(860,410)	(932,035)
		<u>(696,277)</u>	<u>(697,946)</u>
<b>Net current liabilities before finance company liability</b>			
Amounts owed to finance companies falling due within one year	13	(496,971)	(394,769)
		<u>(1,193,248)</u>	<u>(1,092,715)</u>
<b>Net current liabilities</b>			
		<u>(332,298)</u>	<u>(53,504)</u>
<b>Total assets less current liabilities</b>			
		<u>(332,298)</u>	<u>(53,504)</u>
<b>Creditors</b> amounts falling due after more than one year			
Obligations under finance leases and hire purchase contracts	13	(234,362)	(447,169)
		<u>(566,660)</u>	<u>(500,673)</u>
<b>Capital and reserves</b>			
Called up share capital	15	100	100
Profit and loss account	16	(566,760)	(500,773)
		<u>(566,660)</u>	<u>(500,673)</u>
<b>Equity shareholders' funds</b>	16	(566,660)	(500,673)



M J Toomey  
Director

28 MAR 2008



## Notes to the financial statements

at 31 December 2007

### 1. Fundamental accounting concept

The financial statements have been prepared under the going concern concept because the parent undertaking has agreed to provide adequate funds for the company to meet its liabilities as they fall due

### 2 Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention

#### *Statement of cash flows*

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements

#### *Fixed assets*

All fixed assets are initially recorded at cost inclusive of costs directly attributable to making the asset capable of operating as intended

#### *Depreciation*

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows

Leased plant and equipment	–	over the term of the lease
Vehicles on contract hire and lease	–	over the term of the lease

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### *Hire purchase agreements*

Where assets that are capitalised are held under hire purchase contracts the capital element of the related rental obligations is included in creditors. The interest element of the rental obligations is charged to the profit and loss account so as to produce a constant periodic rate of charge

#### *Leasing income*

All leasing income is recognised on a straight-line basis over the period of the lease

## Notes to the financial statements

at 31 December 2007

### 3. Turnover

Turnover comprises the invoice value of services supplied by the company exclusive of VAT

All trading operations are continuing and carried on within the UK

### 4. Operating profit/(loss)

This is stated after charging

	2007 £	2006 £
Auditors' remuneration		
Audit of the financial statements	4,371	3,000
Other fees to auditors – taxation services	600	600
Profit on disposal of tangible fixed assets	(114,460)	(138,220)
Depreciation of assets held under finance leases and hire purchase contracts	527,570	481,093

### 5. Directors' emoluments

None of the directors was remunerated through the company during the year and there are no directors accruing benefits under money purchase or defined benefit pension schemes (2006 - Nil)

### 6. Staff costs

	2007 £	2006 £
Wages and salaries	141,667	139,305
Social security costs	13,402	10,709
	155,069	150,014

The average monthly number of employees during the year was as follows

	2007 No	2006 No
Management	1	1
Sales	4	4
Other	2	2
	7	7

### 7. Interest payable

	2007 £	2006 £
Bank charges and interest	32,323	25,407
Finance charges payable under finance leases and hire purchase contracts	69,328	57,321
	101,651	82,728

## Notes to the financial statements

at 31 December 2007

### 8. Tax

#### (a) Tax on loss on ordinary activities

The tax credit is made up as follows

	2007 £	2006 £
<i>Current tax</i>		
Group relief	(10,038)	(60,810)
Total current tax (note 8(b))	(10,038)	(60,810)
<i>Deferred tax</i>		
Origination and reversal of timing differences	(16,387)	19,244
Reduction in corporation tax rate	4,329	–
Total deferred tax (note 14)	(12,058)	19,244
Total tax credit	(22,096)	(41,566)

#### (b) Factors affecting current tax credit

	2007 £	2006 £
Loss on ordinary activities before tax	(88,083)	(138,554)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 - 30%)	(26,425)	(41,566)
<i>Effects of</i>		
Depreciation in advance/(arrear) of capital allowances	50,725	(19,244)
Income not assessed to UK corporation tax	(34,338)	–
Current tax for the year (note 8(a))	(10,038)	(60,810)

From 1 April 2008, the standard rate of UK corporate tax will be 28% (currently 30%), in accordance with changes to the system of UK corporate tax announced in the 2007 Finance Act. This has been reflected in the value of the above deferred tax credit and the deferred tax balance (note 14).

## Notes to the financial statements

at 31 December 2007

### 9. Vehicles on contract hire

	£
Cost	
As at 1 January 2007	1,542,172
Additions	642,165
Disposals	(663,960)
As at 31 December 2007	1,520,377
Depreciation	
As at 1 January 2007	511,344
Charge for the year	522,899
Disposals	(362,545)
At 31 December 2007	671,698
Net book value	
At 31 December 2007	848,679
At 1 January 2007	1,030,828

### 10. Other tangible fixed assets

	<i>Leased motor cars</i> £	<i>Leased plant and machinery</i> £	<i>Total</i> £
Cost			
At 1 January 2007	–	26,864	26,864
Additions	8,559	–	8,559
At 31 December 2007	8,559	26,864	35,423
Depreciation			
At 1 January 2007	–	18,481	18,481
Charge for the year	1,316	3,355	4,671
At 31 December 2007	1,316	21,836	23,152
Net book value			
At 31 December 2007	7,243	5,028	12,271
At 1 January 2007	–	8,383	8,383

## Notes to the financial statements

at 31 December 2007

### 11 Debtors

	2007	2006
	£	£
Trade debtors	74,231	104,034
Amounts owed by group undertakings	7,933	10,755
Group relief receivable	10,038	60,810
Other debtors	—	59
Prepayments and accrued income	11,136	9,694
Deferred tax asset (see note 14)	60,595	48,537
	<u>163,933</u>	<u>233,889</u>

### 12. Creditors: amounts falling due within one year

	2007	2006
	£	£
Bank loans and overdrafts	369,408	406,773
Trade creditors	30,946	51,883
Amounts owed to parent undertaking	404,628	404,628
Amounts owed to group undertakings	28,338	47,706
Other taxes and social security costs	21,245	11,098
Accruals	5,845	9,947
	<u>860,410</u>	<u>932,035</u>

### 13. Obligations under finance leases and hire purchase contracts

The maturity of these amounts is as follows

	2007	2006
	£	£
Amounts payable		
Within one year	496,971	394,769
In two to five years	234,362	447,169
	<u>731,333</u>	<u>841,938</u>

## Notes to the financial statements

at 31 December 2007

### 14. Deferred taxation

All deferred taxation is recognised in the financial statements as follows

	2007 £	2006 £
Decelerated capital allowances	(60,595)	(48,537)
		£
Recognised at start of year		(48,537)
Deferred tax credit in profit and loss account for the year (note 8(a))		(12,058)
Recognised at end of year		(60,595)

### 15. Authorised and issued share capital

	2007 £	2006 £
<i>Authorised</i>		
Ordinary shares of £1 each	2,000	2,000
	2007	2006
<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>No</i>
	£	£
Ordinary shares of £1 each	100	100

### 16. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	Profit and loss account £	Total share- holders funds £
At 31 December 2005	100	(403,785)	(403,685)
Loss for the year	—	(96,988)	(96,988)
At 31 December 2006	100	(500,773)	(500,673)
Loss for the year	—	(65,987)	(65,987)
At 31 December 2007	100	(566,760)	(566,660)

### 17. Contingent liabilities

The company has guaranteed the bank overdrafts of other group undertakings and the loan facilities of the parent undertaking

## Notes to the financial statements

at 31 December 2007

### 18. Related party transactions

The company has taken advantage of the exemption available under FRS 8 and accordingly no disclosure has been made of transactions between group companies

### 19. Ultimate parent undertaking and controlling party

The ultimate parent undertaking of Toomey Vehicle Rentals Limited is Landon Holdings Limited. Landon Holdings Limited is the parent undertaking of the smallest and largest group of which the company is a member and for which group financial statements are prepared. Copies of the parent's consolidated accounts, which include the company, are available from its registered office: Service House, West Mayne, Basildon, Essex SS15 6RW.

In the director's opinion, the company's controlling party is Mr M J Toomey.